

GRANT INCENTIVE AGREEMENT

THIS INCENTIVE AGREEMENT ("Incentive Agreement") for a grant of funds related to economic development through the creation and retention of certain existing jobs, dated as of ~~February~~ ^{BMB} ~~13~~ ^{March}, 2015, is made by and between:

Lexington-Fayette Urban County Government, an urban county government pursuant to KRS Chapter 67A
200 East Main Street
Lexington, Kentucky 40507

("LFUCG")

and

Sumitomo Electric Wiring Systems, Inc. a Delaware corporation
1016 Ashley St
Bowling Green, Kentucky 42103

("Grantee" or "Company")

Recital

This Incentive Agreement provides for a forgivable Grant in the amount of one hundred thousand dollars (**\$100,000.00**) from LFUCG to the Grantee (or "company") pursuant to Ordinance No. 153-2013 and its Jobs Fund Program. In order to induce LFUCG to enter into this Grant Agreement and to make the Grant, the Grantee is willing and desires to make the warranties, covenants, and agreements contained and set forth herein.

SECTION 1 Definitions

As used in this Agreement:

"Accountant" shall mean the certified public accountant or firm of certified public accountants acting as the Grantee's accountant.

An "Affiliate" of, or a Person "Affiliated" with, a specified Person, is a Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Person specified.

"Activation Period" shall mean the date certain that the company has executed a lease document and committed to hire ten (10) new employees at an average wage of \$23.69 for those employees, substantially in the form attached hereto as Exhibit A and incorporated herein by reference.

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"Application" shall mean the Grantee's application for funding under LFUCG's Job Funding Program, which is attached hereto as Exhibit B and incorporated herein by reference.

"Compliance" shall mean the company maintains employment of the ten (10) new jobs created in addition to the twenty-eight (28) similar jobs which existed as were present at the time of the execution of this Agreement, for a total of thirty eight (38) persons employed in that type of position in form, substance, and detail satisfactory to the LFUCG, substantially in the form attached hereto as Exhibit C and incorporated herein by reference.

"Disbursement" shall mean the distribution of proceeds of the grant by LFUCG to Grantee;

"Employee" shall mean a Kentucky resident who maintains a permanent, Full-Time Job (as defined below) at the Project Site, which shall be located in Fayette County, Kentucky, as opposed a part-time employee or independent contractor.

"Event of Default" shall mean the happening of any one or more of the events which constitute an event of default under Section 6 of this Grant Agreement.

"Full Time Job" shall mean a job held by a person employed in the capacity provided in the Application for a minimum of thirty-five (35) hours per week and subject to the Kentucky Individual Income Tax imposed by KRS 141.020 and the local occupational license fee.

"Grant" shall mean the Grant in the principal amount set forth Section 2 of this Agreement.

"Grant Documents" shall mean this Incentive Agreement, the Application, and all other instruments or agreements related thereto.

"Jobs Requirement" shall have the meaning set forth in Section 3.9 hereof;

"LFUCG" shall mean the Lexington-Fayette Urban County Government, an urban county government of the Commonwealth of Kentucky created pursuant to KRS chapter 67A.

"Permitted Transaction" shall mean a merger, acquisition, or reconstitution of the Grantee with an affiliate, subsidiary, or parent company.

"Person" shall mean any person, firm, trust, corporation, partnership, limited liability company, business organization, or other entity.

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"Project" shall mean the certain project consisting of the Company's acquisition, construction, equipping, and staffing of a facility within Fayette County, Kentucky.

"Project Site" shall mean the facility located at Remington Way, Lexington, Kentucky 40511 together with all improvements and fixtures attached thereto.

"Repayment Penalty" shall mean the repayment required in the Event of a default as further defined in Section 3.9 of this Agreement.

"Request for Disbursement" shall mean a written request to the LFUCG for the making of a disbursement of the proceeds of the Grant, in form, substance, and detail satisfactory to the LFUCG.

SECTION 2 The Grant

LFUCG agrees to provide to the Grantee the Grant funds in accordance with the terms and conditions of the Grant Documents, as follows:

2.1 Amount. The principal amount of the Grant shall be one hundred thousand dollars (\$100,000.00).

2.2 Interest. The grant is interest free. However, should an Event of Default occur under the terms of this Agreement, interest may be assessed up to the rate of Prime Rate plus three percentage points (3%) at the sole discretion of LFUCG or twelve percent (12%), whichever is less.

2.3 Disbursement. Disbursements of proceeds of the Grant shall be made by the LFUCG to the Grantee in one or more draws upon (i) execution of this Agreement by each of the respective parties hereto, (ii) the full performance by all applicable parties of each of the conditions precedent to the grant set forth in Article 9 of this Agreement and in each of the other Grant Documents, and (iii) upon the receipt by LFUCG of a properly completed and executed Request for Disbursement, not less than ten (10) days prior to the date requested for the disbursement, to which shall be attached any supporting documentation requested by the LFUCG. Requests for Grant proceeds may be submitted to the LFUCG not more frequently than once a month. Notwithstanding the above, no disbursement shall be made until LFUCG is provided with evidence of a fully executed lease document associated with this project, at 2390 — Remington Wway, Lexington, Kentucky 40511 in Fayette County. ~~ten (10) additional employees are hired and satisfactory evidence is provided to LFUCG.~~

2.4 Late Charges. If the Grantee fails to pay any installment of payment due pursuant to this agreement or interest required under within fifteen (15) days after the date such payment first becomes due, the Grantee shall pay to LFUCG a late charge equal to five percent (5%) of such payment.

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SECTION 3
General Covenants

The Grantee agrees that, until the terms of this Agreement are fulfilled, it shall perform, observe, and comply with each of the following:

3.1 Mergers, Sales, Transfers, Redemptions, and Other Dispositions of Assets, or Dissolution. The Grantee shall not, without the prior written consent of LFUCG (which consent shall not be unreasonably withheld):

- a) Liquidate or dissolve or take any action with a view toward liquidation or dissolution;
- b) Substantially cease its business operations at the Project Site except for acts Force Majeure, casualty, fire, or the failure of the lessor under its operating lease to comply with its obligations thereunder; or
- c) Enter into any agreement for the assumption of the Grant by any other Person.
- d) Undertake a change in majority ownership, management, or control.

Notwithstanding anything contained in this Agreement, Grantee shall be entitled to a Permitted Transaction to sell substantially all of his assets to, or merge or reconstitute with, a parent, subsidiary or an affiliate of Grantee or otherwise to transfer its business operations of the Project Site in connection with a Permitted Transaction.

3.2 Financial Statements and Business Records. The Grantee shall keep true and complete financial records prepared with generally accepted accounting principles consistently applied, and keep business records in accordance with good business practices in the industry. Upon LFUCG's request or the request of its Economic Development Investment Board at reasonable times and places, the Grantee shall make its business records available to LFUCG for inspection on a confidential basis. During the term of the Grant, the Grantee shall furnish to LFUCG annual financial reports prepared by the Accountant in a form satisfactory to LFUCG. With the annual report, the Grantee shall include a cover letter stating its average annual employment at the Project Site. Insofar as is possible under applicable laws, the financial reports and annual report ("Information") shall be deemed confidential business information and shall be treated by LFUCG as exempt from inspection under the Kentucky Open Records Act as records confidentially disclosed to it under KRS 61.878. LFUCG shall notify Grantee within three (3) business days of a receipt of any request for Information made pursuant to the Open Records Act or any similar law so that it can be provided the opportunity to assert and/or protect its interest in such Information as necessary.

3.3 Designation of Agent. The Grantee shall at all times have a properly designated agent to accept service of process who is a resident of or has offices in the Commonwealth of Kentucky. The Grantee shall notify LFUCG of the name and address of such agent and of any change in the name or address of such agent.

3.4 Taxes and Other Obligations. The Grantee shall pay, before any of them becomes in arrears, all taxes, assessments, governmental charges, levies, and any other claims (for example, for labor, materials, or supplies) which, if unpaid, might become a lien or charge upon the Project Site or any other of the Grantee's property, unless the Grantee is contesting the same in good faith and has posted a bond protecting the same in such form and amount and with such parties as may be approved by LFUCG.

3.5 Use of Grant Proceeds. The proceeds of the Grant shall be used exclusively for the purposes described in the Grantee's application to LFUCG and its Economic Development Board as approved by LFUCG in the same or a modified form, the terms of which are incorporated herein by reference.

3.6 Properties and Insurance. The Grantee shall maintain, or shall cause the maintenance of, its real property, buildings, and other fixed assets located at the Project Site in good condition, subject only to normal wear and tear, and make all necessary and proper repairs, renewals, and replacements, and shall comply with all material provisions of leases and other material agreements in order to prevent loss or forfeiture. All real property, personal property, or collateral located at the Project Site is and will remain insured against loss during the life of the Grant subject to customary deductibles and exclusions. The Grantee shall provide LFUCG with a copy of the current insurance policy for the building and other fixed assets upon request. Failure to maintain insurance coverage as set forth herein shall constitute an Event of Default subject to cure or grace periods as set forth in Section 6 hereof.

3.7 Entity Existence. The Grantee shall preserve its entity existence as a corporation and shall be and remain qualified to do business in Kentucky and in all states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse effect on its ability to meet its obligations hereunder.

3.8 Compliance with Law. The Grantee shall comply in all material respects with all valid and applicable statutes, rules, and regulations of the United States of America, of the States thereof and their counties, municipalities, and other subdivisions, and of any other jurisdiction applicable to it, and the provisions of licenses issued to it, except where non-compliance (a) would not have a material adverse effect on the Grantee's ability to meet its obligations hereunder, or (b) shall be currently contested in good faith by appropriate proceedings, timely instituted, which shall operate to stay any order with respect to noncompliance.

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3.9 Employment. The Grantee agrees to create at least ten (10) new Full Time Jobs at the Project Site by no later than June 30, 2018~~5~~, and to maintain said level of employment through June 30, 2025~~7~~ ("Jobs Requirement") as further provided in the Application (Exhibit B) and certified in the compliance form (Schedule 1 to Exhibit C). Failure to create and maintain said Full Time Jobs for each year as herein provided shall constitute an Event of Default as set forth in this Agreement and may result, in LFUCG's sole discretion: (i) in repayment of grant funds as further provided herein (the "Repayment Penalty", (ii) the assessment of an interest penalty at the rate of three percentage points (3.00%) or (iii) or both. The Repayment Penalty shall be calculated in accordance with the formula provided in Section 3.10, below as the percentage of Jobs not created multiplied by the total unforgiven principal of the Grant Proceeds to LFUCG for each new Full Time Job not so created or maintained for each year that the employment requirement is not met, or (if less) the amount of outstanding principal, said sum to be applied against outstanding principal. If at any time after activation period referenced herein has elapsed, it is determined by the LFUCG that the employment conditions contained herein have not been met, then at that time, LFUCG may assess the Grantee the funds due it per the foregoing formula and, also, in its sole discretion, assess the interest rate as set forth above as a penalty. The Grantee hereby agrees to provide, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), any additional employment information to LFUCG which LFUCG reasonably deems necessary to determine the Grantee's compliance with the Jobs Requirement. If during the initial five (5) years of this Agreement, the Grantee fails to establish and/or maintain any of the Required Jobs (i.e., none of the jobs are created or maintained) for a period of time exceeding twelve months, LFUCG, in its sole discretion, may require that Grantee repay the entire amount of the Grant immediately, with any applicable interest penalty.

3.10 Wage Requirement. In addition to the requirement in Section 3.9, above, the Grantee acknowledges and agrees that the newly created Full Time Jobs must pay annual mean average wages of at least \$23.69, exclusive of benefits or other forms of compensation, including, but not limited to, bonuses and commissions (referred to as the "Wage Requirement"). As evidence of compliance with Sections 3.9 and 3.10 herein, the Grantee agrees to provide, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), an employee roster as of June 30, 2015, and each year thereafter, which shall include the wages for each individual employee who holds a new Full Time Job at the Project Site (Schedule 1 to Exhibit C).

Failure to maintain the Wage Requirement each year will result in a repayment by the Grantee to LFUCG of a proportionate amount of the Grant, for each job that fails to meet the Wage Requirement as follows:

$$\frac{(\$23.69 \text{ minus Actual Annual Avg Wage}) \times \$100,000}{\$23.69 \text{ Years remaining}}$$

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Positions that are not filled shall be calculated at a salary of \$0.00 for the calculation of the Actual Annual Average Wage. Positions that are filled shall be calculated at their hourly salary exclusive of benefits for the calculation of the Actual Annual Average Wage.

The Grant Amount is \$100,000 initial disbursement and that amount shall be used for the calculation of penalty payments. In the instance that some amount has been forgiven, the Grant Amount shall be adjusted according to section 6.2.

In the event the jobs created and maintained by the Grantee at the Project Site fail to satisfy the Jobs Requirement and/or the Wage Requirement as specified above, the applicable repayment shall be calculated by LFUCG in accordance with this Section 3.10, to be paid by the Grantee to LFUCG and shall be due and payable thirty (30) days after receipt of notice from LFUCG of the amount due based upon the LFUCG's calculation.

3.11 Shut Down Repayment. Should the Company permanently close, shut down, or for any reason permanently cease operation of the Project during the term of this Agreement, the entire remaining amount of the Grant, less any other repayments received by LFUCG pursuant to the terms of this Agreement shall be due and payable to the LFUCG immediately.

3.12. Right to Inspect. The LFUCG shall, at any time upon reasonable notice have the right to inspect any and all employment records relating to the Project and to inspect the Company's premises relating to the Project in order to determine compliance with the Jobs and Wage requirement as well as to monitor the progress of the project.

3.13 Indemnification. The Company shall indemnify, defend, and save harmless the LFUCG and their boards, directors, officers, agents, and employees (the "Indemnities") from all loss, liability, or expense (including the fees and expenses of in-house or outside counsel) arising out of or in connection with the Company's execution and performance of this Agreement except in the case of any Indemnitee to the extent such loss, liability, or expense is due to the gross negligence or willful misconduct of such Indemnitee. The Company acknowledges that the foregoing indemnities shall survive the termination of this agreement.

SECTION 4 Representations and Warranties

The Grantee hereby represents and warrants to LFUCG as follows (which warranties and representations shall be deemed to survive the execution of this Grant Agreement):

4.1 Existence. The Grantee is a duly organized and validly existing corporation under the laws of the State of Delaware, qualified to do business in Kentucky and in all other states in which it is required to be so qualified or in

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which the failure to be so qualified would have a material adverse affect on Grantee's ability to meet its obligations hereunder. The Grantee shall preserve its entity existence as a corporation and shall be and remain qualified to do business in Kentucky and in all states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse affect on its ability to meet its obligations hereunder except for a Permitted Transaction. The Grantee shall also preserve its entity existence as a corporation and shall be and remain qualified to do business in Fayette County, Kentucky.

4.2 Right to Act. The Grantee has the legal power, capacity, and right to execute and deliver all of the Grant Documents to which it is a party, and to observe and perform all of the provisions of the Grant Documents to which it is a party. Neither the Grantee's execution or delivery of the Grant Documents, nor the performance or observance by the Grantee of the provisions of the Grant Documents violates or any law applicable to it or otherwise constitute a default or a violation under, or result in the imposition of any lien under, or conflict with, or result in any breach any of the provisions of, any existing contract or other obligation binding upon it or its property, with or without the passage of time or the giving of notice or both. The officer executing and delivering the Grant Documents to which Grantee is a party on behalf of the Grantee has been duly authorized to do so, and the Grant Documents to which it is a party referred to herein are legal, valid, and binding obligations of the Grantee enforceable in accordance with their respective terms, except to the extent enforceability thereof may be limited under applicable bankruptcy, moratorium, insolvency, or similar laws or by equitable principles.

4.3 Litigation and Taxes. No litigation or proceeding involving the Grantee is pending or overtly threatened in writing in any court or administrative agency, which would be reasonably likely to have a material adverse impact on the Grantee's financial condition or otherwise impair its ability to honor the commitments made herein (in each case after giving effect to applicable insurance coverage). The Grantee is not in default in the payment of any tax, nor is any assessment threatened in respect thereof (other than the assessment of ad valorem property taxes not yet due and payable), and has timely filed all federal, state, and local tax returns and has paid all taxes required to be paid therewith, except for matters being contested in good faith by appropriate proceedings, timely instituted.

4.4 Financial Statements. The Grantee's financial statements, heretofore furnished to LFUCG and/or its Economic Development Board, are true and complete in all material respects, have been prepared on the modified cash basis of accounting, omit no material contingent liabilities of any kind that are not disclosed or otherwise reflected therein, and fairly present its financial condition as of their dates and the results of the Grantee's operations for the respective fiscal period then ending. Since the date of their preparation, there has been no material adverse change in the Grantee's financial condition, properties, or businesses.

4.5 Default. No Event of Default exists under this Grant Agreement, nor shall any such default begin to exist immediately after the execution and delivery hereof.

4.6 Last Dollar In. Consistent with the representations in the Application, the Grantee does represent and certify that the financial incentives being provided by the LFUCG as an inducement to the expansion to occur and are the last funds sought from a public or private entity for the creation of the jobs provided in section 3.9 after the Activation Period; provided, however, that LFUCG acknowledges that Grantee has applied for certain incentives from the Commonwealth of Kentucky, which shall be funded after the completion of the Project and the funding of the Grant over an approximately ten (10) year period.

SECTION 5 Events of Default

Each of the following shall constitute an Event of Default under this Grant Agreement:

5.1 Payments. The failure of the Grantee to comply with the provisions of Section 3.9 or 3.10, above, or to make payments of principal or interest as provided in those sections under this Grant Agreement when same shall be due and payable and the continuation of such failure for fifteen (15) days after such payment first becomes due.

5.2 Covenants and Agreement. If the Grantee violates, fails, or omits to perform or observe any non-monetary covenant, agreement, condition, or other provision contained or referred to in, or any non-monetary default occurs under, the Grant Documents to which it is a party, and such failure or omission shall not have been fully corrected within thirty (30) days (or such shorter grace period as may be provided in the particular instrument for the particular default) after LFUCG has given written notice thereof to the Grantee. Notice is considered given upon receipt.

5.3 Accuracy of Statements. If any representation, warranty, or other statement of fact contained herein, or in any of the other Grant Documents to which Grantee is a party or in any writing, certificate, report, or statement at any time furnished to LFUCG pursuant to or in connection with this Grant Agreement, or otherwise, shall be materially false or misleading in any respect or shall omit a material fact, whether or not made with knowledge of same.

5.4 Adverse Financial Change. If there should be any material adverse change in the financial condition of the Grantee, as determined in LFUCG's reasonable discretion, from its financial condition as shown on any financial statement supplied to LFUCG as referred to in Sections 4.2 or 5.4 of this Grant Agreement, and such adverse change is not fully corrected to LFUCG's satisfaction within thirty (30) days after written notice with respect thereto is provided to the Grantee from LFUCG.

5.5 Dissolution or Termination of Existence. If the Grantee or any person, firm, or corporation controlling the Grantee takes any action that is intended to result in the Grantee's termination, dissolution, or liquidation except for a Permitted Transaction.

5.6 Solvency. If the Grantee shall (i) be adjudicated bankrupt, (ii) admit in writing its inability to pay its debts generally as they become due, (iii) make a general assignment for the benefit of creditors, or (iv) file a petition, or admit (by answer, default or otherwise) the material allegations of any petition filed against it, in bankruptcy under the federal bankruptcy laws (as in effect on the date this Grant Agreement, or as they may be amended from time to time), or under any other law for the relief of debtors, or for the discharge, arrangement or compromise of their debts.

If a petition shall have been filed against the Grantee in proceedings under the federal bankruptcy laws (in effect on the day of this Grant Agreement, or as they may be amended from time to time) or under any other laws for the relief of debtors, or for the discharge, arrangement, or compromise of their debts, or any order shall be entered by any court of competent jurisdiction appointing a receiver, trustee, or liquidator of all or any material part of the Grantee's assets, and such petition or order is not dismissed or stayed within thirty (30) consecutive days after entry thereof.

5.7 Other Defaults. If any event would give another Person or entity the right to accelerate payments of material indebtedness for borrowed money or to proceed against the Project Site.

5.8 Grant Documents. For any reason, any of the Grant Documents to which Grantee is a party shall cease to be in full force and effect, or shall be declared null and void, or shall be contested by the Grantee as to the validity or enforceability thereof.

SECTION 6 Remedies Upon Default

Notwithstanding any contrary provisions or inference herein or elsewhere:

6.1 Acceleration; Assessment of Interest Rate. If any Event of Default shall occur under this Agreement, LFUCG shall have the right, in its sole discretion, to declare the amount of any Repayment Penalty to be immediately due and payable, and/or to increase the interest rate of the grant proceeds to three percentage points (3.00%) or the highest percentage that is legally chargeable on the outstanding balance thereof, whichever is less.

6.2 Forgivability of Principal. The full principal amount of the outstanding grant proceeds will be considered repayable in an event of default; provided, however, that once the Grantee is in compliance with the requirements of this Incentive Agreement for a period of five consecutive years, the principal amount shall be reduced and forgiven by ten thousand dollars (\$10,000) each

year thereafter that the Grantee remains in compliance beginning with the start of year 6 of this Incentive Agreement. For example, if the Grantee remains in compliance for years 1-5 of the Incentive Agreement, the principal amount shall be reduced to \$90,000 at the beginning of year 6. If the Grantee remains in compliance for the entire term of this Incentive Agreement, the entire remaining principal amount shall be forgiven at the end of year 10.

6.3 Exercise of Remedies. The rights and remedies of LFUCG under the Grant Documents shall be deemed to be cumulative and shall be in addition to all those rights and remedies afforded to LFUCG at law or in equity. Any exercise of any rights or remedies shall not be deemed to be an election of that right or remedy to the exclusion of any other right or remedy.

SECTION 7 Conditions Precedent

LFUCG's obligation to make the Grant shall be conditioned upon the fulfillment of the following conditions prior to the making of such Grant:

7.1 Representations, Warranties, and Covenants. Each and every representation, warranty, and covenant made by or on behalf of the Grantee in its application to LFUCG or relating to any of the Grant Documents to which it is a party or instruments or transactions contemplated thereby shall be true, complete, and correct on and as of the date the Grant is made and shall be so evidenced by a certificate executed by the Grantee's duly authorized officer, to be dated and delivered to LFUCG as of the closing date of this Grant.

7.2 No Defaults. There shall exist no Event of Default and no event which, with the giving of any notice or the passage of any period of time, constitutes an Event of Default.

7.3 Compliance. The Grantee shall have observed or complied with all provisions of this Grant Agreement.

7.4 Grant Documents. The LFUCG and the Company shall have observed or complied with all provisions of this Agreement, as the same apply to each.

7.5 Insurance Policy. The Grantee shall have submitted to LFUCG a copy of an applicable certificate, in customary form, with respect to the current insurance coverage on the Project Site.

7.6 Employment Waiver and Authorization. The Grantee hereby authorizes LFUCG to request that the Office of Employment and Training within the Department for Workforce Investment ("OET") furnish to LFUCG, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), all information in the possession of OET concerning the number of people employed by the Grantee at the Project Site, and the number of hours worked by those employees. This authorization

shall terminate upon the earlier of satisfactory completion of the Jobs Requirement or upon termination of this Grant Agreement. The Grantee hereby releases OET from any and all responsibility for disclosing to LFUCG the information requested in connection with this Grant Agreement.

7.7 LFUCG Approval. The LFUCG shall have supplied copies of any resolutions or ordinances authorizing the LFUCG's participation in the Grant and execution of the Grant Documents.

7.8 Corporate Existence and Authorization. The Company shall provide, at the request of the LFUCG, an original Certificate of Good Standing or equivalent from the Delaware Secretary of State's Office and copies of its Articles of Incorporation, and any amendments thereto. The company shall also provide at the request of the LFUCG a Certificate of Authority from the Kentucky Secretary of State's Office.

7.9 Successors and Assigns. Except as otherwise expressly provided herein, the terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of the parties hereto. This provision shall not be construed to permit assignment by the LFUCG or the Company of any of their respective rights and duties under this Agreement or the other Grant Documents except in connection with a Permitted Transaction.

SECTION 8 Interpretation

8.1 No Waivers; Multiple Exercise of Rights. No course of dealing in respect of, nor any omission or delay in the exercise of, any right, power, remedy, or privilege by LFUCG shall operate as a waiver thereof, nor shall any right, power, remedy, or privilege of LFUCG be exclusive of any other right, power, remedy, or privilege referred to herein or in any related document now or hereafter available at law, in equity, in bankruptcy, by statute, or otherwise. Each such right, power, remedy, or privilege may be exercised by LFUCG, and as often and in such order as LFUCG may deem expedient.

8.2 Time of the Essence. Time shall be of the essence in the performance of all the Grantee's obligations under the Grant Documents and the other instruments related hereto.

8.3 Binding Effect. The provisions of this Grant Agreement shall bind and benefit the Grantee and LFUCG and their respective successors and assigns, including each subsequent holder, if any; provided, however, that this paragraph shall not be construed to permit the assignment by the Grantee of its rights and obligations under this Grant Agreement without LFUCG's prior written consent.

8.4 Headings. The headings used in this Grant Agreement are for convenience of reference only, and shall not be considered in the interpretation or construction of this Grant Agreement.

8.5 Governing Law. The Grant Documents and the respective rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the Commonwealth of Kentucky.

8.6 Jurisdiction and Venue. The parties hereto agree that any suit, action, or proceeding with respect to this Grant Agreement may only be brought in or entered by, as the case may be, (a) the courts of the Commonwealth of Kentucky situated in Lexington, Fayette County, Kentucky, and the parties hereby submit to the jurisdiction of such court for the purpose of any such suit, action, proceeding, or judgment and waive any other preferential jurisdiction by reason of domicile. The parties hereby irrevocably waive any objection that they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or related to this Grant Agreement and the Grant Documents to which Grantee is a party brought in the Courts of the Commonwealth of Kentucky situated in Lexington, Fayette County, Kentucky and also hereby irrevocably waive any claim that any such suit, action, or proceeding brought in any one of the above-described courts has been brought in an inconvenient forum.

8.7 Complete Agreement. This Grant Agreement and the other instruments referred to herein contain the entire agreement of the parties pertaining to its subject matter and supersede all prior written and oral agreements pertaining hereto.

8.8 Assignments or Modifications. The Grantee may not assign its rights under this Grant Agreement to any other party without the prior written consent of the LFUCG, which consent shall not be unreasonably withheld or delayed. This Grant Agreement may be modified only in a writing executed by LFUCG and the Grantee.

8.9 Severability. If any part, term, or provision of this Grant Agreement is held by any court to be unenforceable or prohibited by any law applicable to this Grant Agreement, the rights and obligations of the parties shall be construed and enforced with that part, term, or provision limited so as to make it enforceable to the greatest extent allowed by law, or, if it is totally unenforceable, as if this Grant Agreement did not contain that particular part, term, or provision.

SECTION 9 Notices

Any notice required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficiently given for all purposes if sent by registered mail, postage pre-paid and return receipt requested, or by electronic mail, in each case addressed to the intended recipient (a) as follows:

If to LFUCG: Chief Development Officer
Lexington-Fayette Urban County Government
200 East Main Street
Lexington, KY 40507
ATTN: Kevin Atkins

If to the Grantee: Sumitomo Electric Wiring Systems, Inc. a Delaware
corporation
1016 Ashley St
Bowling Green, Kentucky 42103

or (b) such other address which any party hereto may specify by written notice to the other party in accordance with the terms of this Section 10, including electronic mail addresses as designated from time to time. Any registered mail notice shall be deemed effective as of three (3) business days after the mailing date of said notice.

SECTION 10
Survival of Covenants, Agreements,
Warranties, and Representations

All covenants, agreements, warranties, and representations made by the Grantee herein shall survive the making of the Grant and the execution and delivery of the Grant Documents.

SECTION 11
Fees and Expenses;
Costs of Enforcement

If any Event of Default shall occur under the Grant Documents, the Grantee shall pay to LFUCG, to the extent allowable by applicable law, such amounts as shall be sufficient to reimburse LFUCG fully for all of its costs and expenses incurred in enforcing its rights and remedies under the Grant Documents, including without limitation LFUCG's reasonable legal fees and court costs. Such amounts shall be deemed evidenced by and secured by all the Grant Documents.

SECTION 12
Miscellaneous Provisions

12.1 Term of Grant Agreement. The term of this Grant Agreement shall commence as of the Activation Period , and continue until the first date on which the Grant and all accrued but unpaid interest thereon shall have been paid in full and the Grantee shall have paid or performed all its other obligations hereunder.

12.2 Incorporation by Reference. All exhibits, schedules, annexes, or other attachments to this Grant Agreement are incorporated into this Grant Agreement as if set out in full in the first place that reference is made thereto.

12.3 Multiple Counterparts. This Grant Agreement may be signed by each party upon a separate copy, and in such case one counterpart of this Grant Agreement shall consist of a sufficient number of such copies to reflect the signature of each party.

12.4 Waivers by the Grantee. The Grantee hereby waives, to the extent permitted by applicable law, (a) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, and notices of dishonor in connection with; and, (b) any requirement of diligence or promptness on the part of LFUCG in enforcement of its rights under the provisions of the Grant Documents.

12.5 No Individual Liability. The undersigned officer of the Grantee shall not have any personal liability for the Grantee's obligations to LFUCG under this Grant Agreement, and LFUCG shall look only to the assets of the Grantee.

12.6 Force Majeure. The terms, conditions and covenants contained herein applicable to Grantee in the performance of its obligations and the observance of this Agreement shall be subject to events or conditions beyond its reasonable control, including, without limitation, Acts of God, casualty, fire, material shortages and governmental action (singularly and collectively defined as "Force Majeure").

IN WITNESS WHEREOF, the Lexington-Fayette Urban County Government and the Grantee have executed this Grant Agreement as of the day, month and year first above written.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: _____

Printed Name: Jim Gray

Title: Mayor

GRANTEE:

Sumitomo Electric Wiring Systems, Inc.

By: _____

Printed Name: Barry M Brown

Title: Corporate Purchasing Mgr.

CDD-2014-236

EXHIBIT A

Activation Certificate

The undersigned, Barry M. Brown in his/her capacity as Corporate Purchasing Mgr of SUMITOMO ELECTRIC WIRING SYSTEMS, a Delaware corporation registered to do business in Kentucky (the "Grantee") hereby certifies that:

1. The lease associated with the Project for manufacturing at 2390 Remington Way, Lexington, Kentucky 40511 in Fayette County, Kentucky, the creation of which was facilitated in part by a Grant from the Lexington-Fayette Urban County Government (the "LFUCG") in the amount of One Hundred Thousand Dollars and No Cents (\$100,000) has been executed completed and is occupied by the Grantee.
2. The company has committed to hiring ten (10) new permanent full-time jobs, as defined in that certain Grant Agreement by and among the Grantee and the LFUCG will be created by the company within the first three (3) years on the Activation Date as set forth herein and further described in the Grant Agreement.

IN WITNESS THEREOF, the undersigned has executed this certificate in his/her capacity as Barry Brown of SUMITOMO ELECTRIC WIRING SYSTEMS, a Delaware corporation registered to do business in Kentucky on this 13 day of March, 2015.

SUMITOMO ELECTRIC WIRING SYSTEMS, INC.

By: Barry M Brown
Printed Name: Barry M Brown
Title: Corporate Purchasing Manager
COO-2014-236

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF Warren)

The foregoing Certificate was sworn to, subscribed and acknowledged before me on this 13 day of March, 2015, by Barry Brown in his/her capacity as Corporate Purchasing Mgr of SUMITOMO ELECTRIC WIRING SYSTEMS, a Delaware corporation registered to do business in Kentucky, for and on behalf of said company.

Kathy L. Teasley
Notary Public
My commission expires: 10-20-2017

Sumitomo Electric Wiring Systems Incentive Agreement Exhibit B

Warning

The documents in Exhibit B contain exempt and proprietary information that is protected by open records law. These documents shall not be shared with the public or published to a public website without authorization from the Law Department.

EXHIBIT C

Lexington-Fayette Urban County Government

JOBS Fund Compliance Report

| | |
|--|-----------------------------------|
| Date: | Report _____ of year _____ |
| Company Name: | Address: |
| Project Location: | |
| Fund Program: | |
| Approved Length of Incentive (Years): | Approved Dollar Amount: |

| | | | |
|---|--|----------------------------|--|
| Total Number of Jobs to be Created by the Agreement: | | Median Hourly Wage: | |
| Total Number of Jobs Currently Created by the Agreement: | | Mean Hourly Wage: | |
| Total Number of Jobs Currently at Project Location: | | Median Hourly Wage: | |
| Total Payroll of New Jobs Created by the Agreement: | | Mean Hourly Wage: | |
| Total Payroll: | | | |

I, _____, hereby attest to the accuracy of the information provided above in accordance with the Grant Agreement and understand that the LFUCG retains the right to conduct an audit for purpose of verification.

| | |
|-------------------|--------------|
| | |
| Signature | Title |
| | |
| Print Name | Date |

Schedule 1 to Exhibit C

| | <u>Employee Identification Name or Number</u> | <u>Employee Address</u> | <u>Date of Hire</u> | <u>Title</u> | <u>Hours Worked per Week</u> | <u>Annual Wage</u> |
|-----|---|-------------------------|---------------------|--------------|------------------------------|--------------------|
| 1. | | | | | | |
| 2. | | | | | | |
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| 6. | | | | | | |
| 7. | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| 10. | | | | | | |